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IN THE

Supreme Court of the United States

OCTOBER TERM, 1919.

No. ~~596~~ 171

STARK BROS. NURSERIES & ORCHARDS CO.,
Petitioner,

vs.

WM. P. STARK ET AL.,
Respondents.

Notice of Motion, Motion and Petition

ANDREW B. REMICK,
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Pierce Building, St. Louis, Mo.

Nixon Brief Printing Company, St. Louis, Mo.

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UNITED STATES CIRCUIT COURT OF APPEALS

For the Eighth Circuit

In Equity—No. 5181

WM. P. STARK ET AL.,
Appellants,
vs.
STARK BROS. NURSERIES & ORCHARDS CO.,
Appellee.

NOTICE.

To the above named Wm. P. Stark et al. and their Attorney.

Sirs: Please take notice that the appellee in the above entitled cause, Stark Bros. Nurseries & Orchards Company, on Monday, the 6th day of October, 1919, at the opening of court on that day, or as soon thereafter as counsel can be heard, will submit to the Supreme Court of the United States, in its court room in the Capitol Building, in the City of Washington, District of Columbia, the within Motion for Writ of Certiorari from said Supreme Court of the United States to the United States Circuit Court of Appeals for the Eighth Circuit, and that such motion will be made upon the petition hereto attached and a copy of the record in this cause.

Dated September 20, 1919.

ANDREW B. REMICK,
Attorney for Appellee.
Pierce Building, St. Louis, Mo.

The foregoing notice is hereby accepted and delivery of a copy thereof and of the petition for a writ of certiorari are hereby acknowledged at St. Louis, Mo., this 20th day of September, 1919.

XENOPHON P. WILFLEY,
Attorney for Appellants.

SUPREME COURT OF THE UNITED STATES

October Term, 1919

STARK BROS. NURSERIES & ORCHARDS CO.,
Petitioner,

vs.

WM. P. STARK ET AL.,
Respondents.

MOTION FOR WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE EIGHTH CIRCUIT

Come now Stark Bros. Nurseries & Orchards Company, by Andrew B. Remick, its counsel, and moves this Honorable Court that it shall by certiorari or other proper process directed to the Honorable, the Judges of the United States Circuit Court of Appeals for the Eighth Circuit, require said Court to certify to this Court for its review and determination a certain cause in said Court of Appeals lately pending, wherein the Petitioner, Stark Bros. Nurseries & Orchards Company, was Appellee, and Respondent, Wm. P. Stark et al. was Appellant; and that pending the final determination in this Court of the questions presented, this Court shall issue an order to said United States Circuit Court of Appeals for the Eighth Circuit and to the District Court of the United States for the Western District of Missouri, Southwestern Division, directing that all proceedings in this cause be stayed until the further order of this Court; and to that end it now tenders its petition with a certified copy of the entire record in said cause in said Circuit Court of Appeals.

ANDREW B. REMICK,
Counsel for Petitioner.

SUPREME COURT OF THE UNITED STATES

STARK BROS. NURSERIES & ORCHARDS CO.,
Petitioner,
vs.
WM. P. STARK ET AL.,
Respondents.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE EIGHTH CIRCUIT

To the Honorable Chief Justice and Associate Justices of the Supreme Court of the United States:

Your Petitioner, Stark Bros. Nurseries & Orchards Company, a corporation organized and existing under and by virtue of the laws of the State of Missouri, and having its principal place of business in the City of Louisiana, State of Missouri, respectfully shows:

In 1916 your Petitioner filed suit in the Southwestern Division of the Western Judicial District of Missouri against respondents for infringement of the registered trade-mark "Stark Trees," and for unfair competition in the use of the name Stark. Both parties are growers and sellers of fruit trees and other nursery stock and are both residents of the State of Missouri. Since there was no diversity of citizenship the Federal Court could only take jurisdiction of the case because your Petitioner had secured registration in the United States Patent Office of the trade-mark in suit.

Upon proofs and final hearing the District Court, speaking through his Honor, Judge Van Valkenburgh, found that respondents not only had deliberately in-

fringed your Petitioner's registered trade-mark, "Stark Trees," but had used practically every conceivable means of unfairly using the name Stark to the great detriment and damage of Petitioner and benefit to themselves. (R. 180, 187.)

The trial court ordered and decreed that

> "the complainant (your Petitioner) do recover of the defendants (respondents), Wm. P. Stark, Wm. H. Stark and the Wm. P. Stark Nurseries, all gains and profits which said Wm. P. Stark, Wm. H. Stark and the Wm. P. Stark Nurseries have derived, received or made during the period within which complainant's said trade-mark is shown to have been infringed, beginning with the 11th day of March, 1914, and that said complainant do also recover from said Wm. P. Stark, Wm. H. Stark and the Wm. P. Stark Nurseries any and all damages which complainant has sustained by reason of defendant's infringement and unfair competition from and after the 26th day of August, 1916, on which date complainant gave notice to defendants of the registration of its said trade-mark." (R. 15.)

The trial court set the above date of March 11, 1914, as the date from which the profits should run, because your Petitioner's president on that date wrote and mailed a letter to respondents saying and demanding, among other things:

> "We hereby notify you to discontinue the unfair competition and infringement of our rights." (R. 37.)

While damages were ordered and decreed from and after August 26, 1916, because that was the date on which Petitioner, through its counsel, wrote a formal letter of complaint threatening to bring suit if respondents did not cease their infringement and unfair competition.

It was found and admitted that your Petitioner did not put on its labels bearing its registered trade-mark the statutory notice, "Reg. U. S. Pat. Off.," as is directed by Section 28 of the Trade-Mark Statutes, which provides that:

> "In any suit for infringement by a party failing so to give notice of registration no damages shall be recovered, except on proof that the defendant was duly notified of infringement and continued the same after such notice."

The trial court also held that

> "the complainant's trade-mark having been found valid, this court has jurisdiction of the parties, and of the subject-matter for the purpose of enjoining not only the infringing of that trade-mark, but also all wrongful acts in the nature of unfair trade done in connection with the infringement which augment and aggravate the wrong." (R. 185.)

Respondents appealed from the decision of the lower court to the United States Circuit Court of Appeals for the Eighth Circuit, and the Court of Appeals (Judges Sanborn and Stone, Circuit Judges, and Trieber, District Judge), speaking through his Honor, Judge Trieber, held that

"the Court below committed no error in granting the injunction. * * * But we are of the opinion that there was error in decreeing that Appellee recover all gains and profits which Appellants have derived or received by reason of the infringement of Appellee's trade-mark, beginning March 11, 1914." (R. 198.)

"Section 28 of the Trade-Mark Act of February 20, 1905, 33 Sta. 730, par. 9514, U. S. Comp. St. 1916, after prescribing that notice of the registration of the mark be given by affixing on the mark or label the words 'Reg. U. S. Pat. Off.,' which was not done by Appellee, provides: 'And in any suit for infringement by a party failing so to give notice of registration no damages shall be recovered, except on proof that the defendant was duly notified of infringement, and continued the same after such notice.' As no notice was given by Appellee to Appellants of infringement of the registered trade-mark, although the words required by the statute were not printed on its trade-mark labels, until a few days before the institution of this action, no damages under this Act can be recovered for infringement of the registered trade-mark before that time in this action." (R. 198.)

The Court of Appeals also held that

"as the jurisdiction of the court below depended solely on the fact that there was a federal question by reason of the registration of the trade-mark under the Act of Congress, there being no diversity of citizenship, there can be no liability on the charge of unfair competition prior to the notice under the Trade-Mark Act. To entitle one to recover in such a case the unfair competition must be a part of the same transaction, to-wit: a viola-

tion of the Act of Congress, and liability thereunder. It must be an aggravation of the infringement of the registered trade-mark, to give the Court jurisdiction to award damages." (R. 199.)

"In the case at bar the unfair competition only became a part of the same transaction as the infringement of the registered trade-mark, after the notice had been given, as Appellee's trade-mark labels had not the words required by the Act of Congress on them—'Reg. U. S. Pat. Off.' Had no notice been given by Appellee it could not have recovered any damages. This was expressly decided by this Court in Rossman v. Garnier, 211 Fed. 401-407, 128 C. C. A. 73-79." (R. 199.)

"Gains and profits made before notice was given under the Trade-Mark Act, in the absence of a label bearing the inscription prescribed by the Act of Congress, are independent of the Act of Congress and can only be recovered under the rules established by courts of equity in actions for unfair competition. Such an action cannot be maintained in a national court in the absence of a diversity of citizenship." (R. 200.)

Thereafter your Petitioner filed a Petition for Rehearing in said Circuit Court of Appeals, respectfully requesting that Honorable Court to give your Petitioner an opportunity to argue at length these two important propositions:

1. That the above referred-to statute does not mean that the infringer must be notified of the **registration** of the trade-mark, but does mean in the absence of constructive notice of registration that the infringer must be notified "of **infringement**, and continued the same after such notice," in order to recover damages.

2. That it is an academic proposition of trade-mark law that registration adds nothing to, nor subtracts nothing from, common law rights, but merely gives jurisdiction to Federal Courts for the infringement of a trade-mark when the parties are citizens of the same State.

Your Petitioner shows that said Petition for Rehearing was denied without Opinion, by letter from the Clerk dated June 7, 1919.

Your Petitioner respectfully submits that it was satisfied with the decree of the trial court, but that the Court of Appeals erred in holding that the letter of March 11, 1914, was not sufficient notice (even disregarding the fact that respondents positively knew of your Petitioner's trade-mark and rights even prior to the inception of their infringing use—Rec. 187); erred in holding that "the unfair competition only became a part of the same transaction as the infringement of the registered trade-mark, after the notice had been given, as Appellee's trade-mark labels had not the words required by the Act of Congress on them—'Reg. U. S. Patent Office' "; erred in dating the accounting and damages from the date of filing the suit; and erred in not holding that—in view of the fact that respondents continued infringing and practicing unfair competition (R. 188) after suit was filed, which surely is unquestionable notice—respondents be ordered to account to your Petitioner all gains and profits from the beginning of the infringement and unfair competition.

Your Petitioner therefore believes the aforesaid decree of the Court of Appeals for the Eighth Circuit is erroneous, and this Honorable Court should require the

said cause to be certified to it for its review and determination, because the question involved is of sufficient, general, national and material importance and interest as to make it necessary that the question presented should be determined by the Court of last resort.

Wherefore, your Petitioner prays that this Honorable Court will be pleased to grant a writ of certiorari directed to the United States Circuit Court of Appeals for the Eighth Circuit, requiring that Court to send a full and complete transcript of the record in the above entitled cause to this Honorable Court for its review and determinaiton.

ANDREW B. REMICK,
Counsel for Petitioner.

I hereby certify that I am counsel for the Petitioner herein, Stark Bros. Nurseries & Orchards Company; that the allegations of fact contained in said petition are true, and that said petition in my opinion is well founded in law as well as fact.

ANDREW B. REMICK,
Counsel for Petitioner.

State of Missouri
City of St. Louis } ss.

Andrew B. Remick, being duly sworn, deposes and says that he is counsel for the Petitioner herein, Stark Bros. Nurseries & Orchards Company; that he prepared the foregoing petition for a writ of certiorari, and that the allegations of said petition are true, as he is informed and verily believes.

ANDREW B. REMICK.

Sworn to before me this 4th day of September, 1919.

(Seal) GEORGE S. TOURVILLE,
Notary Public.

My commission expires April 2, 1921.

In the

UNITED STATES CIRCUIT COURT OF APPEALS

Eighth Circuit

In Equity—No. 5181

WM. P. STARK ET AL.,
Appellants,
vs.
STARK BROS. NURSERIES & ORCHARDS CO.,
Appellee.

PETITION FOR REHEARING

Now come Stark Bros. Nurseries & Orchards Company, appellee in the above entitled cause, and petition for a rehearing thereof, and for grounds of said petition respectfully state the following reasons:

In its opinion this Honorable Court says:

> "But we are of the opinion that there was error in decreeing that appellee recover all gains and profits which appellants have derived by reason of the infringement of appellee's trade-mark beginning March 11, 1914.
>
> "Section 28 of the Trade-Mark Act of February 20, 1905, 33 Stat. 730, par. 9514, U. S. Comp. St. 1916, after prescribing that notice of the registration of the mark be given by affixing on the mark or label the words 'Reg. U. S. Pat. Off.,' which was not done by appellee, provides: 'and in any suit for infringement by a party failing so to give notice of registration no damages shall be recovered,

except on proof that the defendant was duly notified of infringement, and continued the same after such notice.' As no notice was given by appellee to appellants of infringement of the registered trade-mark, although the words required by the statute were not printed on its trade-mark labels until a few days before the institution of this action, no damages under this Act can be recovered for an infringement of the registered trade-mark before that time in this action.

" • • • and that the appellants be charged with the gains and profits made by them by reason of the unfair competition arising from the infringement of appellee's registered trade-mark, and the damages, if any, which appellee has sustained by reason thereof since the beginning of this action."

We respectfully submit that, notwithstanding that the record abounds with proof that appellants were aware of appellee's rights and that those rights were repeatedly asserted, appellee's letter under date of March 11, 1914, was, as the trial court found, sufficient notice to the appellants under the above quoted statute. That letter is found on page 37 of the record, and copied here:

Wm. P. Stark Nurseries,
Neosho, Mo.

Attention of Wm. P. Stark.

Gentlemen:

The literature and advertising matter that you have recently sent to the officials of this company, concerning certain claims relative to Delicious Apple and **other matters**, mis-state the facts and constitute unfair competition and are **infringements**

on the rights of Stark Bros. Nurseries & Orchards Company. We hereby notify you to discontinue the unfair competition and infringement on our rights.

Very truly yours,
Stark Bros. N. & O. Co.,
By E. W. Stark, President.

A careful analysis of the above referred-to statute, which, after all, was enacted to protect innocent parties and not deliberate unfair traders, such as the trial court (Record, p. 187) and this Honorable Court found appellants to be, simply means that if any owner of a registered trade-mark does not print the notice on the label he cannot recover damages unless he proves not that the infringer was notified of the registration, but "of infringement, and continued the same after such notice."

We respectfully submit that appellee fulfilled the requirements of that really so-far unlitigated section of the statute, when it wrote these words on March 11, 1914:

> "We hereby notify you to discontinue the unfair competition and **infringement on our rights.**"

The record, of course, shows, as the trial court found, that appellants did not even reply to this letter and not only continued to infringe by using the infringing mark on goods and in advertisements, and in every conceivable way, but as a careful analysis of the record will show, increased their efforts to unfairly gain advantage of the reputation of the Stark name and Stark trade-mark.

It is an academic proposition of trade-mark law that registration of a trade-mark adds nothing to, nor subtracts nothing from, common law rights, but merely gives jurisdiction to Federal Courts for the infringement of a trade-mark when the parties are citizens of the same State.

We respectfully request this Honorable Court to give us an opportunity to argue these two important questions at length at a rehearing.

Respectfully submitted,

STARK BROS. NURSERIES & ORCHARDS CO.,
By Andrew B. Remick and John M. Mateer,
Counsel.

CERTIFICATE OF COUNSEL.

I, Andrew B. Remick, Counsel for Appellee, hereby certify that in my judgment the foregoing Petition for Rehearing is true in point of fact and well founded in point of law, and is not interposed for delay.

ANDREW B. REMICK,
Attorney for Appellee.